



State of North Carolina

Office of the State Controller

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CONTROLLER'S OFFICE REPORT OUTLINES DECLINES IN GENERAL FUND REVENUES

RALEIGH -- The General Fund's unreserved fund balance improved but still remained with a negative balance of \$284.7 million at April 30, as compared to negative \$1.3 billion at the end of March, and as compared to \$1.2 billion at the end of April 2008. This information is contained in the most recent monthly report on the General Fund compiled by the Office of the State Controller.

For April 2009, North Carolina's General Fund continued to see lower tax and non-tax receipts. Tax revenues, net of refunds, declined by \$623.7 million, or 21% for the month of April compared to the previous year. With lower cash balances, investment earnings declined by \$13.2 million for April as compared to the prior year. For the year to date through April, net tax revenues reflected a decline of \$1.7 billion, or 11%, with investment earnings down by \$98.6 million, or 47%.

During April 2009, Governor Perdue authorized Executive Order #6 that transferred \$139.6 million from special fund and trust fund accounts to provide cash flow to meet the State's obligations. Also during April, Senate Bill 287 of Session Law 2009-16 was signed authorizing the transfer of up to \$250 million from the Savings Reserve Fund to the Health Benefit Reserve Fund. The actual amount transferred in April 2009 was \$100 million with an additional \$100 million scheduled for May 2009 and \$50 million for June 2009.

This report can be found at www.osc.nc.gov. Go to "Recent Publications" and click on "General Fund Monthly Financial Report--April." The OSC website includes General Fund monthly budgetary basis financial information back through June 1998.

The State Controller is North Carolina's chief fiscal officer. The Office of the State Controller serves as an independent resource to ensure the financial integrity of the State by providing accounting, disbursing, payroll, internal control and financial reporting systems that serve state agencies, employees and the public and maximizing financial return through its statewide cash management plan. The OSC issues numerous financial reports including: Financial Highlights, General Fund Monthly Financial Report, IT Expenditures Report, Statewide Accounts Receivable Report, the State's Comprehensive Annual Financial Report (CAFR) as well as the short, easy-to-read version of the CAFR known as the "popular" report.